

A Check Up on the...

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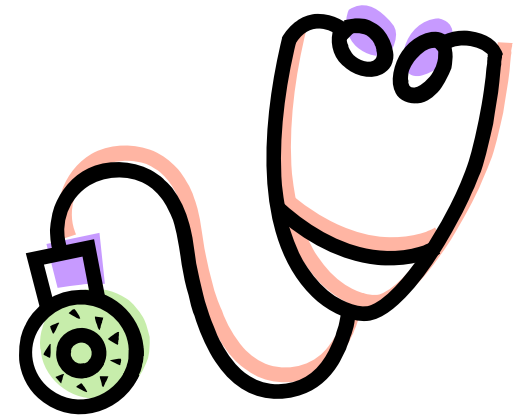
# Indiana Check-Up Plan

## HEA 1678

Joint Health Committee Meeting

Secretary Mitch Roob  
February 6, 2008

- ☒ 44¢ Cigarette Tax
- ☒ Physician Reimbursement Increase
- ☒ Small Business Qualified Wellness Program Tax Credit
- ☒ Employer's Section 125 Plan
- ☐ Dependent Coverage up to Age 24
- ☐ Increase SCHIP to 300% FPL
- ☒ Continuous Eligibility to Age 3
- ☒ Childhood Immunization
- ☒ Increase Pregnancy Coverage to 200% FPL
- ☐ Presumptive Eligibility for Pregnant Women
- ☐ Buy-In Option for over 200% FPL
- ☒ Increase Coverage to Adults up to 200% FPL (HIP)

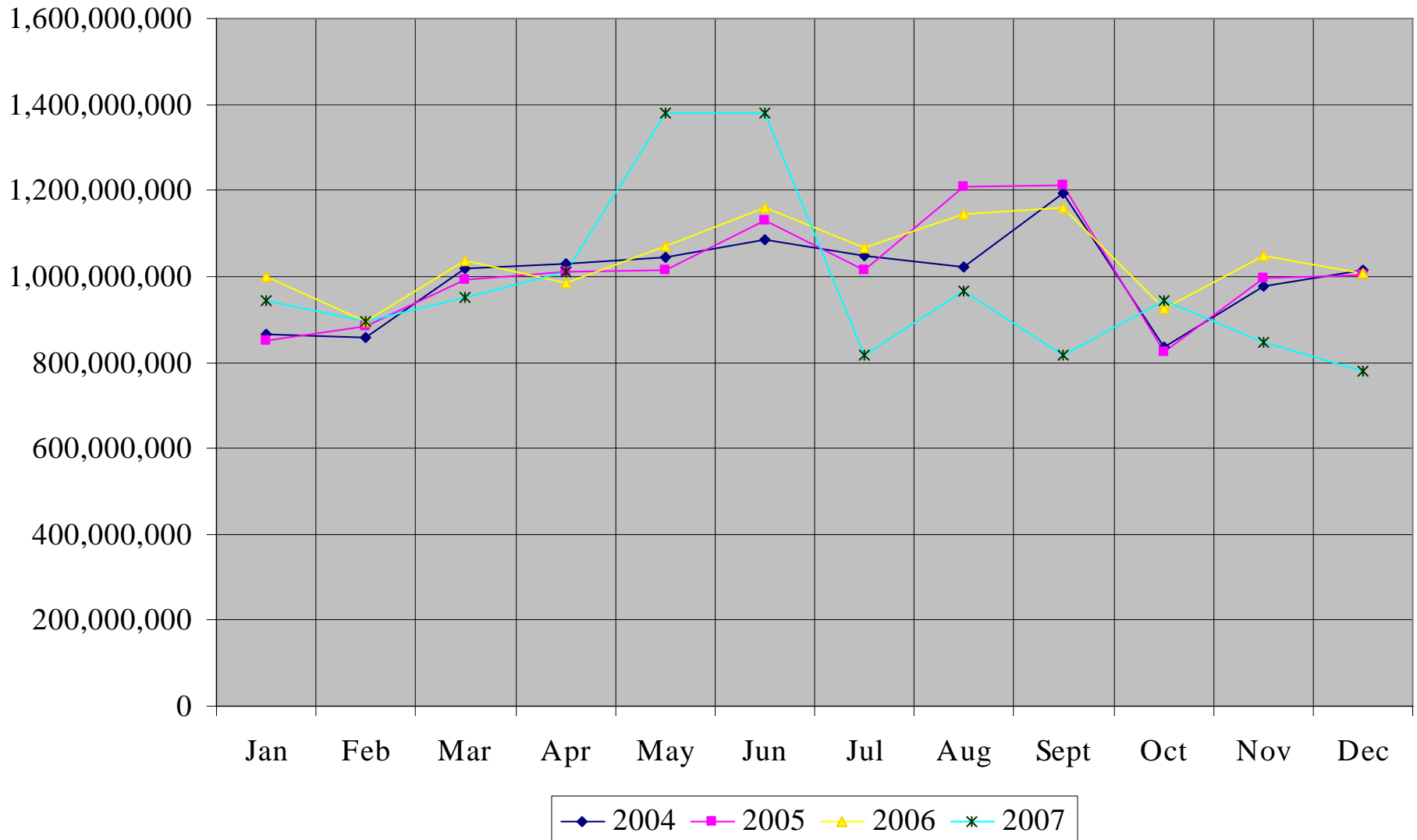


# Cigarette Tax

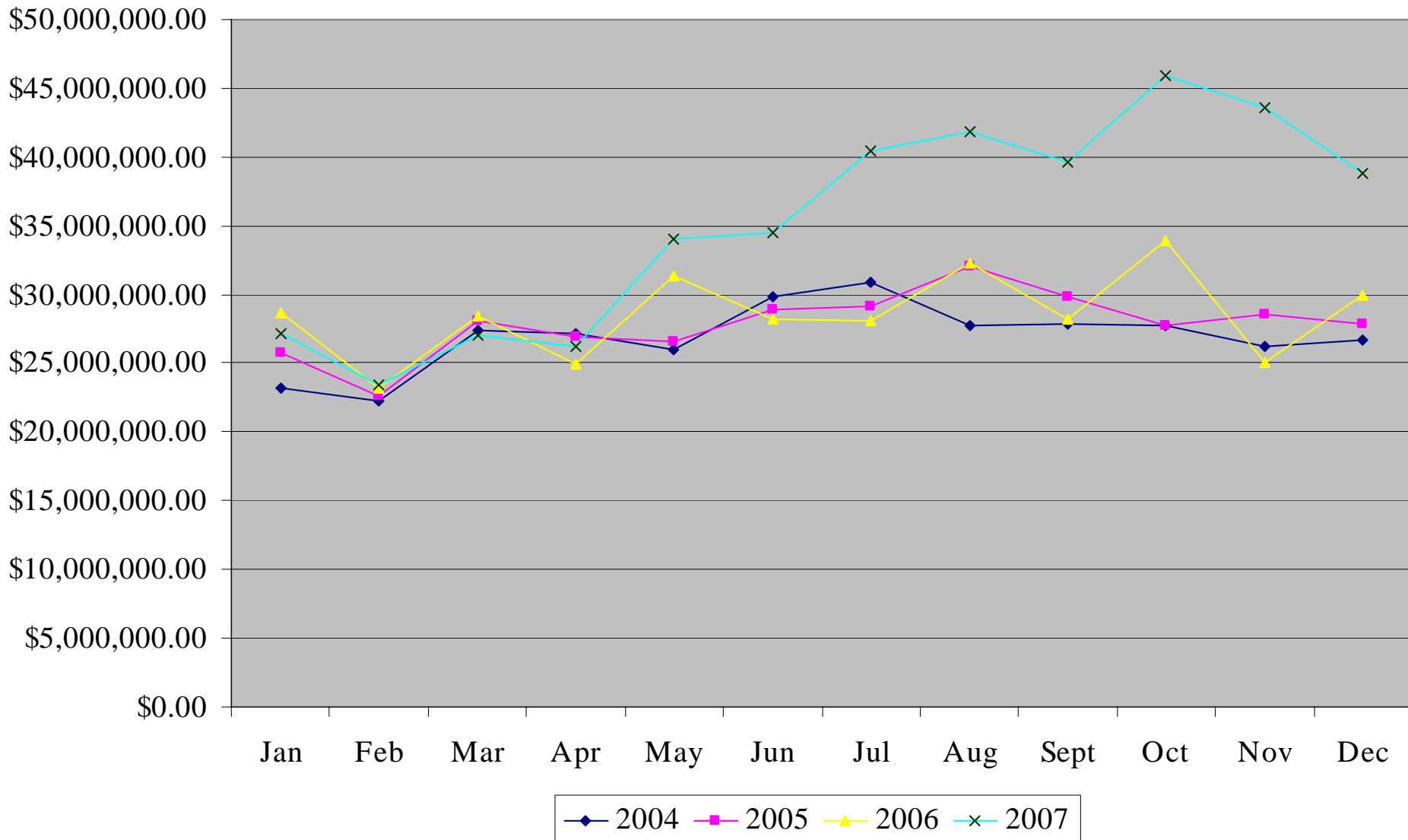


- ✓ Close to previous revenue forecast
  - May 2007 Forecast (\$'s in millions)
    - 2008- \$204.1
    - 2009- \$206.6
  - January 2008 Forecast (\$'s in millions)
    - 2008- \$188.4
    - 2009- \$205.3
- ✓ Actual allocation of funds to date for HEA 1678 FSSA programs (\$'s in millions)
  - HIP- \$84.7
  - Provider Reimbursement- \$7.7

## TOTAL NUMBER OF CIGARETTES



# GROSS CIGARETTE TAX REVENUES



# Physician Reimbursement Increase

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- ✓ Effective January 1, 2008
- ✓ A permanent rate increase of \$32 million annually for primary care, specialists and dentists- an approximate 25% increase on the affected procedures including:
  - Preventive care and certain evaluation/management procedures
  - Early periodic screening diagnosis and treatment (EPSDT)
  - Scheduled weekend and holiday services
- ✓ Bonuses are calculated on a formula including:
  - Number of Medicaid participants seen by the provider
  - Number of primary and preventive procedures
  - Number of newborn deliveries
- ✓ 2007 Bonus Payment for approximately 5,000 primary care providers totaling approximately \$39 million dollars.

# Small Business Qualified Wellness Program Tax Credit



- ✓ Public Announcement of program began October 2007
- ✓ Wellness Program Criteria:
  - Employee Appropriate Weight Loss,
  - Smoking Cessation, *and*
  - Pursuit of Preventive Healthcare Services
- ✓ For 2007 tax credit, ISDH approved 15 registered vendors and 51 small businesses (in just 2 months)
- ✓ Focus on marketing in 2008
  - Join with InShape outreach efforts
- ✓ According to DWD, 40% of the workforce are employed by small private firms

# Employer's Section 125 Plan

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- ✓ Section 125 of IRS code allows employers and employees to purchase health insurance on a pre-tax basis.
- ✓ ICUP created tax credit equal to \$50 per employee up to \$2500 is available to all employers who currently offer no health insurance.
- ✓ Went into effect January 1, 2008- No data available from Department of Revenue at this time
- ✓ Town Hall Meeting- Bloomington
  - Generated many inquiries from local small businesses in the area



# Dependent Coverage to Age 24

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- ✓ Due to ERISA laws (Employee Retirement Income Security Act), self-funded group plans are untouched by specific state insurance law.
- ✓ In Indiana, approximately 70% of Hoosiers are covered by the self funded group plans and cannot take advantage of this change.

# Increase SCHIP to 300% FPL

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- ✓ Submitted a State Plan Amendment last month for expansion to 250% FPL
- ✓ Federal Government will not approve beyond 250% without proof that 95% of eligible children are enrolled
- ✓ Unpredictable Federal SCHIP Environment in 2007
- ✓ Expansion of SCHIP eligibility from 200% to 250% of FPL is forecasted to result in additional growth of 425 per month for a total of 5,100 additional covered lives by June 2009. *(Implementation assumed as July 2008)*

# Continuous Eligibility to Age 3

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- ✓ Implemented November 2007
- ✓ Continuous Eligibility for those under three years of age was forecasted to result in an average of 5,616 more children per month by the end of SFY 2009.

# Childhood Immunization



- ✓ The ISDH began receiving allotments from the Indiana Check-Up Plan trust fund on October 26, 2007.
- ✓ Indiana's children have received over 130,000 doses of vaccine through this opportunity. The following vaccines are examples that have been received:
  - 22,601 doses of Measles, Mumps and rubella vaccine
  - 18,351 doses of Pneumococcal vaccine
  - 11,554 doses of Polio
  - 6,528 doses of Varicella
  - 11,057 doses of Rotavirus
- ✓ The immunization program has incurred over \$4 Million for the additional purchases of vaccines for Indiana's children through this opportunity.

# Increase Pregnancy Coverage to 200% FPL

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- ✓ Implemented January 1, 2008
- ✓ Expansion of Coverage for Pregnant Women from 150% of FPL to 200% of FPL is forecasted to result in a maximum additional 1,100 average monthly pregnant women covered by Medicaid.

# Presumptive Eligibility for Pregnant Women

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- ✓ Targeted implementation for July 1, 2008
- ✓ DFR system change could not be accommodated prior to 7/1/08.
- ✓ Per federal regulations, all enrollment centers (300) must register to become presumptive eligibility provider.

## Buy-In Option



- ✓ Uninsured individuals with incomes above 200% FPL may buy-in to HIP
  - Rates based on age, gender, health status
  - Participant pays full cost
- ✓ If the program fills, individuals who would qualify for HIP may use the buy-in option
  - HIP rates available to such individuals
  - Participant pays full cost
- ✓ Available by Summer 2008

**COMING SOON!**

# Healthy Indiana Plan Timeline



- ☑ April 2007- General Assembly passes HEA 1678
- ☑ May 2007- Submit RFP for Health Plans
  - Five health plans submit proposals
- ☑ June 2007- Begin Regular Waiver Negotiations with CMS and OMB
- ☑ August 2007- Health Plans Selected
  - Anthem Blue Cross Blue Shield
  - MDwise and United Healthcare were asked to come together to offer HIP (Subcontracting relationship)
  - Enhanced Services Plan- ICHIA



# Healthy Indiana Plan Timeline



- ☑ September 2007- Conceptual Agreement with CMS
- ☑ November 2007- Contract signed with health plans
- ☑ December 14, 2007- Official Waiver Approval
  - Funding for 130,000
  - Limits on Childless Adults
  - Eligibility Begins at Age 19 not 18
  - No Dental or Vision Coverage
  - No Plan Involvement in Enrollment
  - Must Allow Legal Aliens to Participate
  - Moved Contribution for 150-200% from 5% to 4.5% for parents



***Basic Structure for  
HIP including  
benefit package  
and POWER  
Account Remain  
Unchanged***

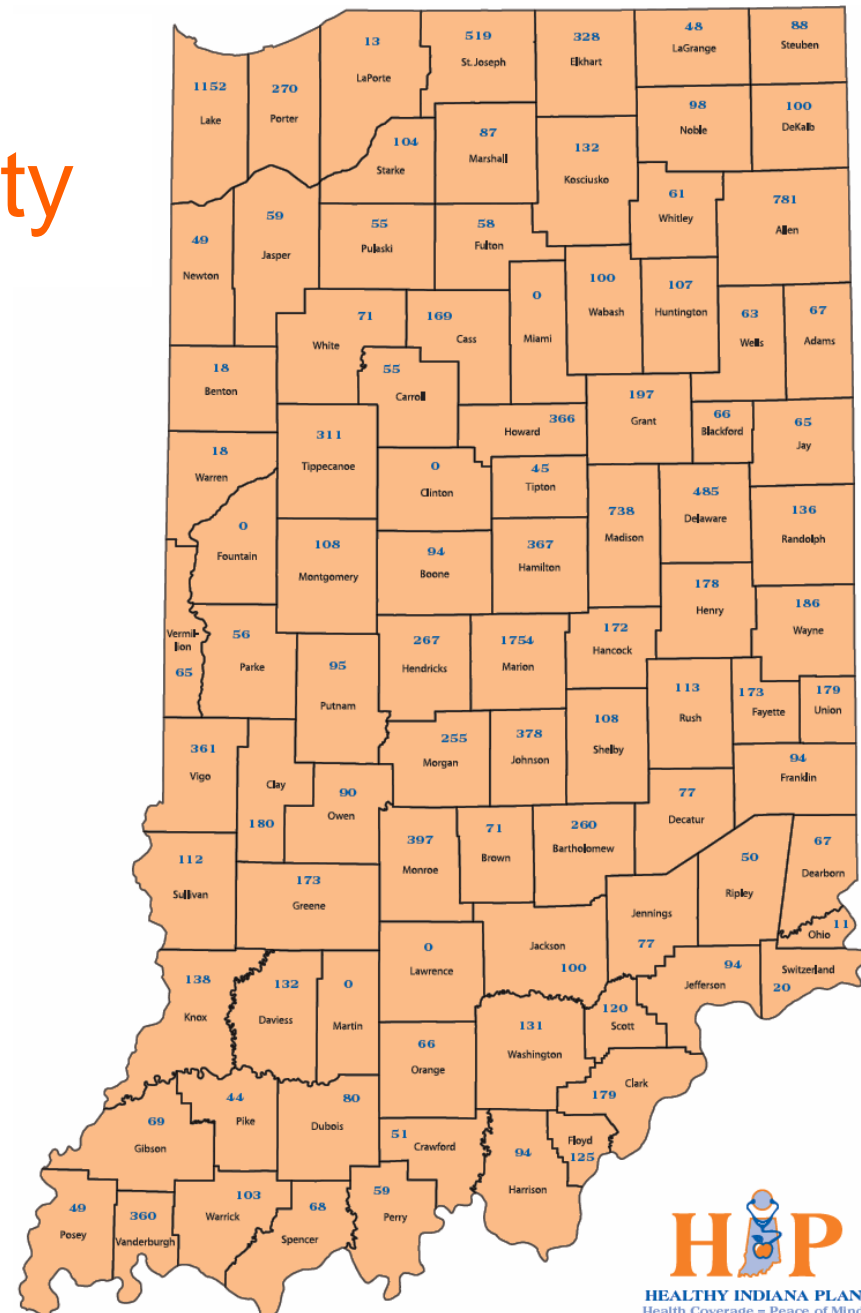
# Healthy Indiana Plan Timeline



- ☑ December 10, 2007- Statewide Media Campaign Begins
  - ★ Radio Stars Senator Miller and Rep. Brown 
  - We've Got you Covered- TV, Billboard, Transit
  - Direct Marketing to Hoosier Healthwise Parents
- ☑ December 17, 2007- Begin Accepting Applications
  - 3,500 apply by first week
- ☑ January 1, 2008- HIP Fully Implemented
  - 20,000 applications by end of first month

# Applications by County

- ✓ Statewide distribution fairly consistent with population
- ✓ Map as of January 20, 2008, totaling 15,733 applications statewide
- ✓ Examples:
  - Marion- 1,754
  - Lake- 1,152
  - Monroe- 255
  - Montgomery- 108



# Enrollment



- ✓ 21,101 Applications Received to Date
- ✓ 6,198 Applications Processed
- ✓ Set up to process 4,000 applications per month, so on target, but volume much greater than anticipated!
- ✓ HIP Growth Strategy
  - Doubled the original HIP staff to 91
    - Current staffing began at **45** people
    - Tuesday, Jan 22, added **16** staff out of training to HIP team
    - Monday, Jan 28, **20** staff entered training for HIP unit. (Training is approximately two weeks long).
    - Monday, Feb 04, **10** staff will enter training for HIP unit.
  - Turn marketing on and off as needed
- ✓ Monitoring Daily

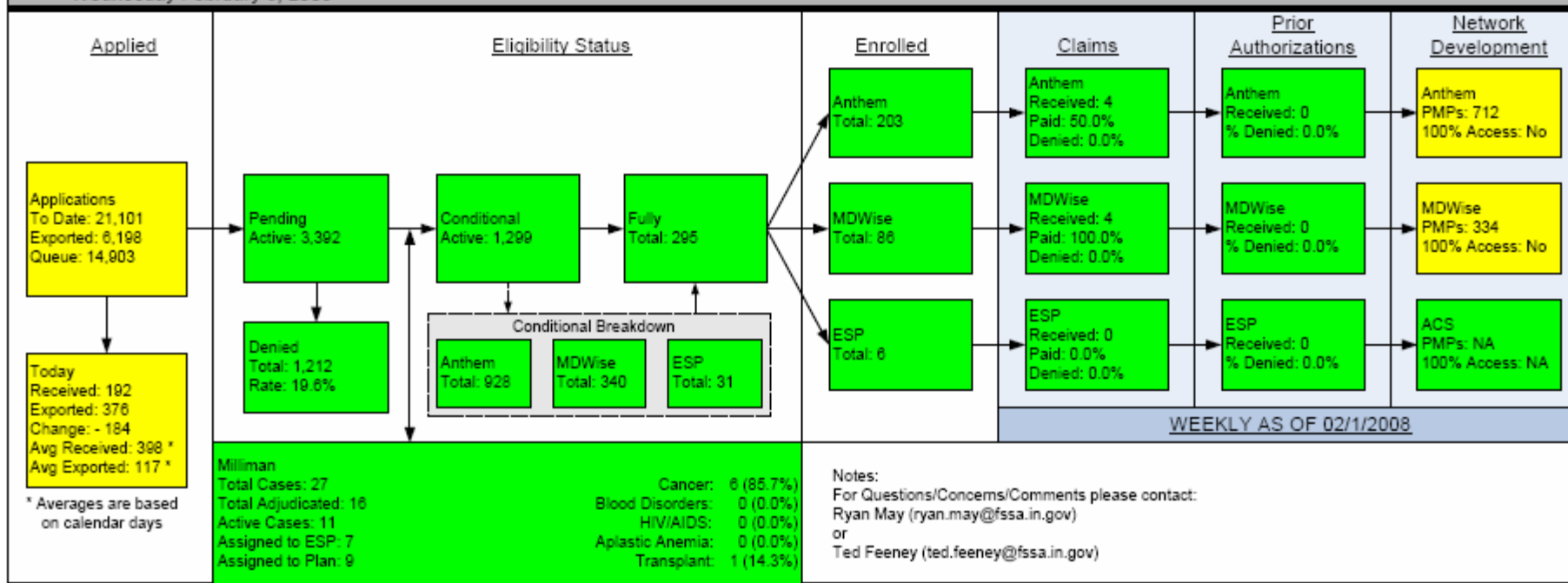
# Daily Dashboard



## DAILY HIP DASHBOARD

Wednesday February 6, 2008

■ GREEN: Stay the course – progressing accord to plan  
■ YELLOW: Caution – Issues needing corrective action exist  
■ RED: Urgent – Corrective action required immediately



# Entry Point

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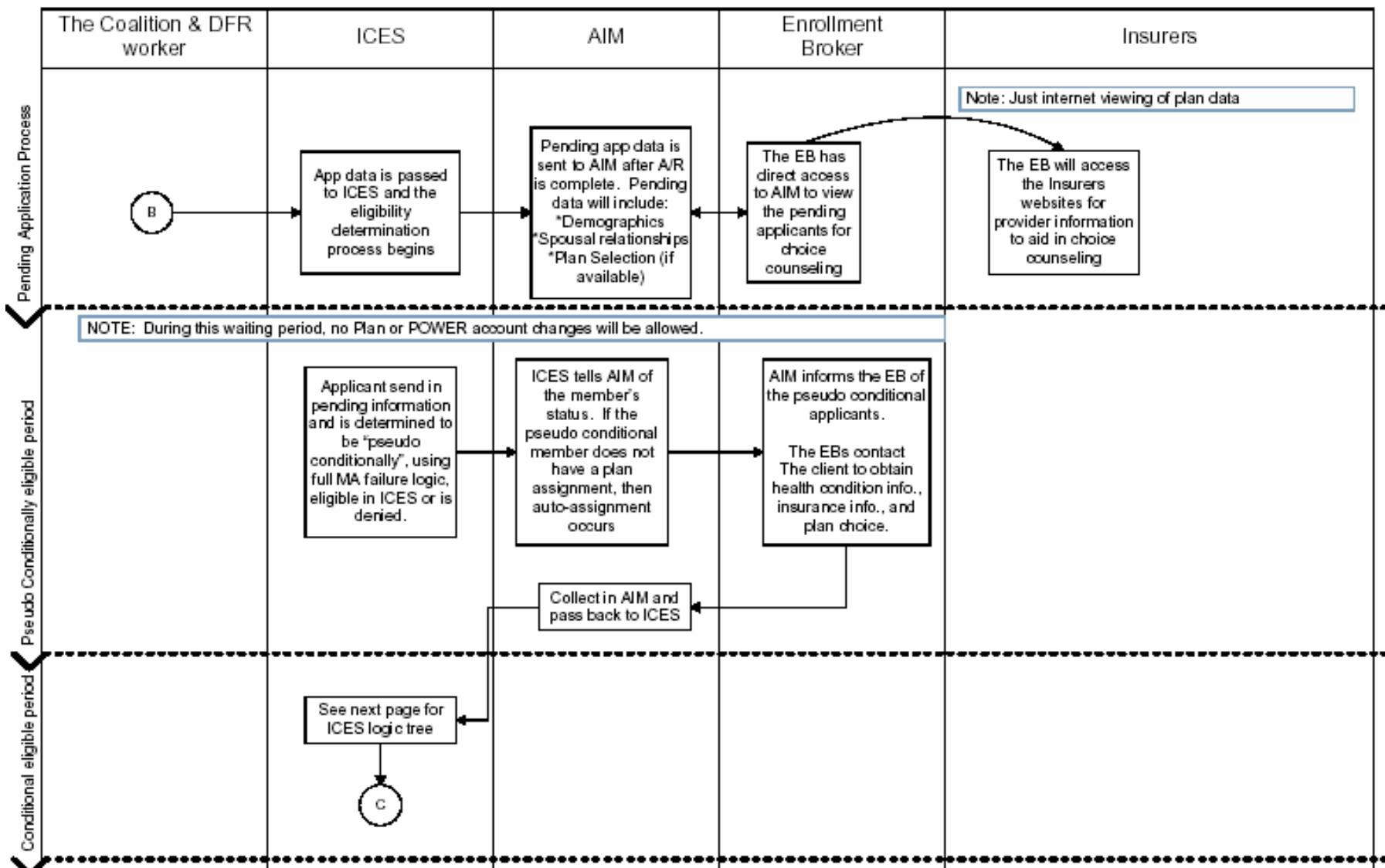
- ✓ Applicant obtains application:
  - On the internet at [www.hip.in.gov](http://www.hip.in.gov)
  - Request by phone at 1-877-GET-HIP-9
  - Pick up at local DFR office or Hoosier Healthwise Enrollment Center
- ✓ Four page paper application
  - Typical application with additional questions related to health status & access to employer sponsored health insurance
  - Application includes plan choice selection
  - Supporting documentation of ID, citizenship, and income
- ✓ Application mailed or faxed to Marion, Indiana document center

# Processing

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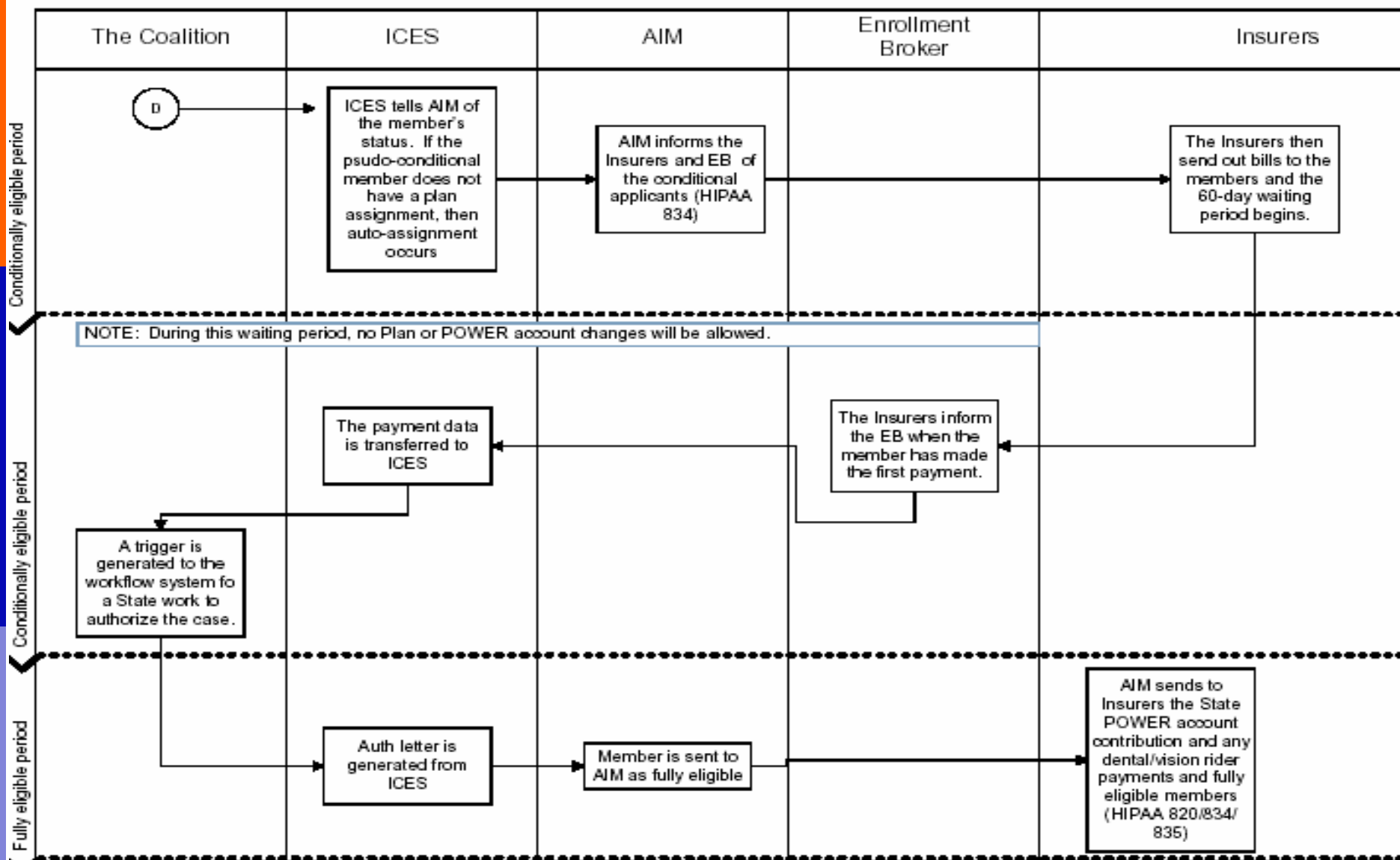


- ✓ All documents received to document center are scanned into electronic files & assigned workflow tasks
- ✓ Information sent to ICES
- ✓ If more information is needed, a notice is mailed to the applicant





# HEALTHY INDIANA PLAN – INTERIM SOLUTION – APPLICATION PROCESSING III



# Enrollment Procedures

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- ✓ Short-Term (January – July 2008)
  - New Paper Application
  - DFR Offices & Enrollment Centers
  - Call-Center Assistance
  
- ✓ Long-Term (August 2008)
  - DFR Modernization
  - Integrated Application for FSSA Programs
  - Web-based applications
  - Call-Center Assistance

# Program Recap

## Who is Eligible for Subsidized Coverage?

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- ✓ Non-Disabled Adults Ages 19-64:
  - *Caretaker Relatives* of dependent children with family incomes from 22% to 200% FPL
    - Biological, adoptive, step parents;
    - Other relatives who care for a dependent child (i.e. grandparent, aunts)
  - *Childless adults* with family incomes under 200% FPL
    - Enrollment Cap: 34,000 childless adults each year
    - Have no dependent children living in household in their care
- ✓ An estimated 375,000 Hoosiers are chronically uninsured under 200% FPL
  - HIP has funding to cover approximately 130,000 Hoosiers

# Program Recap



## Caretaker Relative vs. Childless Adult

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### ✓ Program:

- Hard cap on the number of childless adults allowed in the program
- The 34,000 childless adult cap is reserved for adults who do not have a dependent child in their care.
- “Caretaker relatives” include not just biological parents but all relatives.

### ✓ Policy:

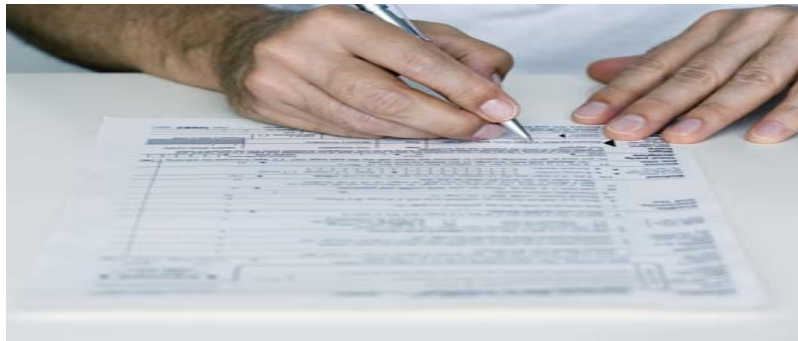
- Slightly higher financial contributions than caretaker counterparts

# Program Recap

## Other Eligibility Criteria

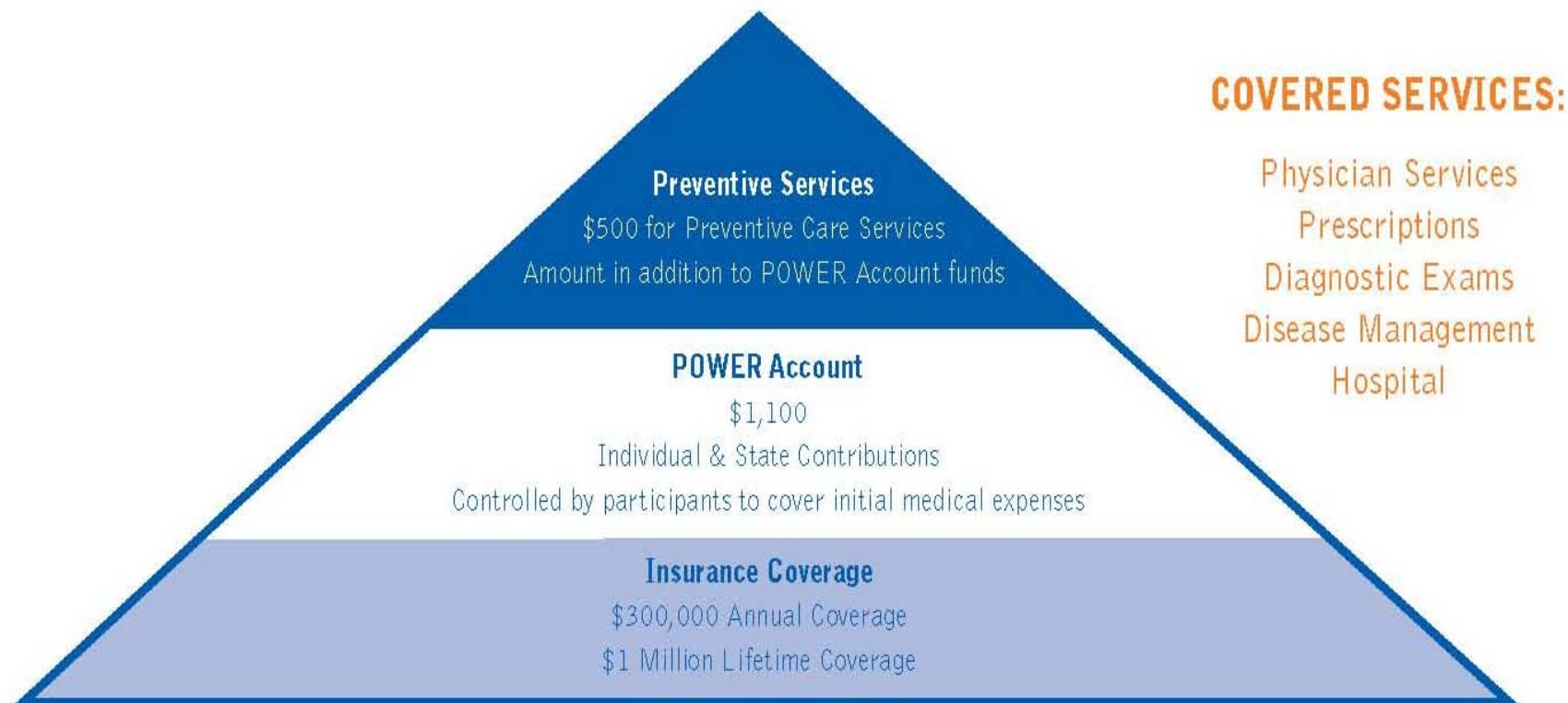


- ✓ Participants must be uninsured for at least 6 months
  - COBRA, disease specific and accident policies are not subject to the six month coverage restriction
- ✓ Participants must not be eligible for employer-sponsored health insurance offered through their individual employer



# Program Recap

## Plan Structure



Individual POWER Account contribution will not exceed 5% of gross annual income – approximately \$200 - \$900 annually



# Program Recap

## Required Contributions



	2%	3%	4%	4.5%- 5%
Number of people in your family	0% - 100% FPL	101%- 125% FPL	126%- 150% FPL	151%- 200% FPL
1	\$10,210	\$12,763	\$15,315	\$20,420
2	\$13,690	\$17,113	\$20,535	\$27,380
3	\$17,170	\$21,463	\$25,755	\$34,340
4	\$20,650	\$25,813	\$30,975	\$41,300
5	\$24,130	\$30,163	\$36,195	\$48,260
6	\$27,610	\$34,513	\$41,415	\$55,220
7	\$31,090	\$38,863	\$46,635	\$62,180
8	\$34,570	\$43,213	\$51,855	\$69,140

### How Contribution Levels are Calculated:

- ✓ 0-100% of FPL= members must contribute **2%** of total household income
- ✓ 101%-125% of FPL= members must contribute **3%** of total household income
- ✓ 126%-150% of FPL= members must contribute **4%** of total household income
- ✓ 151%-200% of FPL= caretaker relative members must contribute **4.5%** of total household income
- ✓ 151%-200% of FPL= childless adult members must contribute **5%** of total household income

### *Market Concept at Work*

Both Insurers are:

- ✓ Providing **free unlimited preventive care services** rather than the minimum \$500 required by the legislation
- ✓ Sending detailed monthly statements to members to monitor POWER Account balances, which are also accessible on the internet
- ✓ Allowing members to make monthly contributions in cash at local banks



# Call Center



# 1-877-GET-HIP-9

- ✓ Toll-free line with options
  - General Information
  - Application Assistance
  - Plan Selection
  - Anthem Blue Cross Blue Shield
  - MDwise with AmeriChoice
  - Enhanced Services Plan

